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ABSTRACT

Academic libraries should follow the practice adopted by some academic institutions during recent periods of economic scarcity and develop economic and political ties with the business community, a partnership that could provide genuine benefits for members of the business community, elected officials, and academia. An example of such cooperation is the Business Partner Program begun in 1983 by Auraria Library in Denver, Colorado, which allows participating firms to receive company library cards as well as discounts on certain fee-based services in return for donating a specified amount of money to the library. Businesses such as those using the Auraria Library that seek information to enhance economic development opportunities generally rely on information from a combination of personal experience and insight, talking to colleagues or competitors, and publicly available knowledge. A key service that academic libraries can provide for businesses is access to such information, both in terms of physical access to research collections and intellectual access to people with expertise in the structure of information sources. Given the need for such access, it makes economic as well as philanthropic sense for companies to help fund academic centers that can provide these required resources and services. (KM)

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ACADEMIC LIBRARIES AND REGIONAL ECONOMIC DEVELOPMENT

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TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

Public policy discussions which affect higher education in the 1980's are increasingly interwoven with threads of political reality. A case can be made that the sobering political truths of scarce resources have triggered a sequence of events which have caused public institutions of higher learning in Colorado to behave differently both within the political arena and the business community. And, if recent history augurs the future, this new bodes well, too, for academic libraries.

Scarce financial resources and internecine competition for public support for higher education in Colorado created an atmosphere of political competition second in intensity only to the maneuvering of the defense establishment in Washington, D. C. The intensity of political bickering, the proliferation of duplicative programs and the lack of accountability in higher education caused legislators in the late 1970's to move away from traditional line item budgeting to an innovative memorandum of understanding between the General Assembly's Joint Budget Committee and the governing boards and presidents of our various institutions of higher learning.

Under the new scheme, institutional leaders were to have broad authority in allocating public money as well as the ability to carry over year end surpluses more in keeping with academia's need to make longer term investments beyond election year budgetary pressures. The flexibility and the longer planning view have been beneficial to Colorado's public institutions.

Yet, from the elected official's perspective, questions of duplication within the state's system of higher education, as well as concerns of accountability

and quality continued to nag. The new allocation system still depended on the legislature's deciding the magnitude of funding for each institution; and that decision was still largely dependent upon funding formulae sensitive to an institution's enrollment figures.

Innovative and aggressive institutional leaders, therefore, became astute marketing experts. Degree programs became magnets for students; the limits of imagination and even whimsy became parameters for program development. Not surprisingly engineering, computer science, teaching and business programs sprang up throughout the state; even a lawn-mowing course briefly saw the light of day. Weekend and evening degree programs became readily available for the increasingly traditional, "nontraditional" student.

Yet, as marketing intensified, pressure on legislators also intensified: more students meant more competition for decreasing resources. The political realities of district lines, the location of institutions of higher learning, the number of jobs created by those institutions all created pressure on elected officials to sustain a public system of higher education established over time which no longer reflected the state's needs, market place forces, enrollment potential or sound educational philosophy.

Enter Representative Paul D. Schauer, Chairman of the House Finance Committee and major architect of Colorado's tax policy. Motivated in some part by an astute awareness of the limits of Colorado's revenue picture, in some part by the reality that no major research institution was located in his own district,

Representative Schauer shepherded HB 1187 through a political mine field in 1985 and, to the surprise of many, succeeded in abolishing and re-establishing the Colorado Commission on Higher Education.

Under the newly reconstituted Commission, legislators are to be assured of greater quality, less duplication, more accountability and funding based on a formula which reflects an institution's role and mission. And much to elected officials' relief, the forum for competition for decreasing financial resources shifts away from Colorado's General Assembly to the Commission. Time will certainly tell about the best laid plans.... But to date the Commission has functioned according to design.

Throughout this political evolution, academic libraries have not fared well overall in Colorado. Although college and university presidents have had the flexibility to allocate funds at will for a number of years, libraries generally have not been able to keep pace with inflation. In one year alone community college libraries experienced a 20% decrease in their acquisitions budgets.(1) Based on an acquisition formula developed by the Library Financing Formula Subcommittee of the Association of Public College and University Presidents, Colorado libraries were being funded at between 55% and 60% of the formula under line item budgeting. According to Patricia Senn Breivik in "Colorado Funding of Academic Libraries":

> With the increasing need to access online databases and the expanding publication output, the ability of academic libraries to support existing programs has been further curtailed. In addition, there are no guarantees that new acquisition dollars will be provided when new programs are approved and it is even less likely that retrospective purchasing funds will be available. A frequent approach for a campus seeking approval for a new program from the Colorado Commission on Higher

> Education, is to claim that no new library resources are required. To say otherwise, might well jeopardize program approval. Thus, the already insufficient funds must be stretched even thinner.(2)

Given this situation libraries are poorily equipped to support Colleges and Universities that are attempting to further quality programs.

During this same period of evolution, academic institutions have begun to learn the importance of ties to the business community for economic and political reasons. Ways to encourage corporate giving, entrepreneurial potential between research activities and for-profit spin-offs, the formation of centers of excellence and the establishment of research parks have all become new tools in the armamentarium of academic leadership. Sluggish economies have caused elected officials as well as academic leaders to see economic development as the new magnet for public funding opportunities. Academic libraries could do well to learn from this new partnership.

Such a partnership could provide genuine benefits for members of the business community, elected officials, and academia. Business--particularly small businesses--stand to gain a resource they cannot afford to miss. Academic libraries have the potential of providing resources in marketing, personnel management and basic research that the average business cannot afford on its own: business decisions made in an information vacuum often lead to failure.

One example of a program of relationships between business and academic libraries is the Business Partner Program at Auraria Library in Denver, Colorado. The Auraria Library serves three institutions at a combined downtown

campus--the University of Colorado at Denver, Metropolitan State College, and the Community College of Denver. Among the three institutions academic programs cover vocational and technical, undergraduate and graduate education. The combined student bodies of approximately 30,000 (20,000 FTE) include traditional age students, 18-22 years, as well as older ones, with an average age of 28. Almost all the students work at least part time; and many take classes evenings and weekends while working full time. A large number of students are enrolled in the business programs of all three schools or take some business classes along with liberal arts, sciences or professional courses of studies. The location of the campus, the character of the student body, and the strength of the professional programs provided the context in which to begin the Business Partner Program in 1983.

A firm participates in the Business Partner Program by donating a specified amount of money to the Library and in turn receives library cards in the business name, as well as discounts on certain fee-based services; the level of donation determines the extent of discounts. A librarian is named liaison to members of the firm. In brief the business gets access to the collection, reduced fees for services such as interlibrary loan, consultant services for database searching, labor costs for photoduplicating articles and the delivery of materials. In addition the librarian will design seminars for employees of the firm, introducing them to information resources and strategies relevant to their company and industry.

Interactions with a number of firms (some Business Partners, some not) provide examples of the ways in which business can benefit by using information

resources. These examples are not meant to be conclusions of a full scale empirical study; on the other hand, neither are they simply descriptions of individual experiences. Rather they typify a range of the kinds situations in which businesses use information that can be provided by libraries. These selected examples provide models of service rather than recipes for the relations between libraries and businesses.

The businesses using Auraria Library represent both service and manufacturing industries, with a broad spectrum of information needs. Companies usually seek information to enhance economic development opportunties; the range of information required to further that development usually falls into three catagories: attracting new clients or buyers, working with another company, and developing new products and services.

Some companies become more profitable by expanding the number of their clients in proportion to their ability to serve them. Advertising, informal contacts and systematic approaches to companies or individuals provide possible new clients. Systematic approaches can take the form of either direct mailing or telephone calls to business firms or individuals to reach as many potential clients as possible. Since only a certain percentage of contacts will result in new business the soliciting firms have to find a balance between developing a large enough group to contact, but not one so large that the costs of such a project will outweigh the business developed. Screening a potential pool through telephone books, other directories, and purchased mailing lists are ways to develop selected contact lists.

A fourth way of identifying possible new clients is through the use of online directory databases which allow the searcher to set up several different parameters for selection of companies, including size, sales, geography, industry, and so on. By carefully selecting characteristics, a company can tailor the list of potential clients to fit within a budget. Each of the four methods has advantages and disadvantages, taking into consideration factors such as cost, completeness, accuracy, currency, and time involved. Thus the company contemplating such a project has to evaluate the methods, the chance of success, and the probable long range results to choose the most suitable method.

To sell its services or products to another company, a firm works closely with that client company's finances, its structure, and its line of business. While the client company may provide the information itself, getting supplementary information from outside sources can be useful raising questions or in putting another perspective on what is already known.

The availability of such information about a company is directly related to its status as private or public and its size. Securities and Exchange Commission reports are useful for public companies. The larger and/or more dynamic a company, the greater chance where will be that articles will appear in newspapers or magazines or that press releases are available. Some excellent articles which appear in smaller local/regional or business community newspapers or newsletters are now appearing in national online databases.

It then becomes crucial to ask how current and how accurate this information

is. Daily newspapers are very current, but there can be quite a bit of lag time until newspapers are indexed so that specified articles can be found without browsing each day's issue. Computer access is usually quicker, but there still is some lag time depending on the kind of information needed and the updating policies of database publishers.

Cost is also a factor. One online producer which provides financial information about private companies charges $78.00 per online record for that information, in contrast to another which may charge only a few dollars. Usually businesses require in-depth information only for a few companies; to attempt to get such information for all potential clients is too costly and time-consuming.

Some time and money are worth the effort. A company which has done its homework on the client company is in a much better position to sell itself, all other things being equal.

A third area of economic development is through innovation.(3) New product or service development is an important process in highly competitive industries, with the possibility of either great financial gains or losses. Product or service expansion may involve inventing new technology, restructuring available resources or acquiring a new company. At the same time, the economic, technical, and social contexts contribute to the success or failure of such developments. For this reason, access to information about industry trends, social patterns, and market demographics is essential to innovation.

One example of how a company identifies, locates and uses information comes from a study completed a couple of years ago.(4) The company, known here as A/TECH, researched the feasibility of diversifying into the area of robotic components manufacturing by looking at the technical processes available, trends in technology and market projections. The corporate development office of A/TECH used information culled from as literature review, a national robotics seminar, and telephone conferences with well-known researchers as well as other companies already in the field.(5)

The literature search for this project utilized publicly available online databases, specifically, engineering, business news, business forecasting, market research report, company directory, annual report, and investment report databases. These searches led to articles and reports on the state of the art in robot components, identification of some key researchers and companies in the field, and projections of the market, which were then sources of other unpublished information.

The literature review, discussions with key people, and investigations of the market led these researchers to recommend that A/TECH not enter into development of robotic component manufacturing at that time since many of the original high market projections which had instigated this study seemed unrealistic. The rapid obsolescence of products and the necessity of entering into agreements with outside companies would have meant a profitable return too many years later for A/TECH's plans. Although this example does not show information leading to great profits, it does provide an example of a company gathering relevant information to make an informed decision, which in this case

saved them from a costly and unproductive investment.

Each of the above examples illustrates ways in which businesses use information available through, although not exclusively, libraries. The information that companies use comes out of a combination of personal experience and insight, talking to colleagues or competitors, and publicly available knowledge. It should be clear that from these examples that the information is sorted and evaluated by the businesses who need it for their own purposes. The information means something different to different firms. What may not be clear is the contribution of the library to that sorting and evaluating process.

Where do libraries fit in? Specifically, what is the role of the academic library in economic development? Libraries provide a number of services: general and special collections, computer and print access to their own collections and those of other libraries, computer search services, interlibrary lending, document delivery, reference, education. Access is one key concept by which to discuss the role of academic libraries in economic development.

Access can be thought of in either physical or intellectual terms. One function of a library is collecting or gathering materials. Since an academic library supports the teaching, learning and research needs of an academic community, its collection will reflect the curricular and research directions of the campus, thus providing specialized resources not always found in public libraries.

Nonetheless, a library collection has little worth unless it is accessible. Physical access involves being able to get to the resources in a nearby library or to get those resources to the person who seeks the information. It also means being able to connect available information in a way no nearby collecting group has done. Consequently, closely related to acquiring materials is procuring them from other libraries. Academic and public libraries belong to networks which permit them to provide research or specialized materials, even from other countries, for other patrons. Although not every business question calls for the kind of background information that publicly available materials provide, major projects often do require a context which is found in research journals or government publications from academic libraries.

Intellectual access or consultancy takes the concept of access one step further.(6) Finding accurate information to answer a question sounds straightforward enough. When it isn't, the ambiguity can be a function of the question, of the sources of information, or the information itself. Helping someone get at information is a role that a librarian or information specialist can perform. Three aspects of this role are helping to formulate the question, getting the information, and interpreting the information.

Although formulating a question is not always an easy task, helping seekers make their assumptions and purpose explicit enables the librarian to focus the search for information. In its most simple terms getting the information means connecting the questioner with the answer in some fashion. The librarian often has to propose alternate ways of thinking about the issues since obvious sources of information do not always yield the answer. Such a person can also

put the information seeker in contact with campus researchers who are working in areas of mutual concern.

Interpreting answer to questions is crucial. As indicated in the examples, individual patrons have to make sense out of information, but people new to the world of computerized information sources often place too much trust in what the computer provides. Working with the business person, a librarian can raise critical questions about the data and propose alternative perspectives.

Not only can libraries provide access to a variety of information sources, but they also have the potential of creating those sources. For instance, libraries in Oregon are developing the Economic Network Index and Denver's Auraria Library has begun its Colorado Information Resource Center.(7) Both of these projects are using technology to integrate regional business and economic resources and make them accessible through easy to use dial-up computer networks. Other possibilities include electronic bulletin boards and the integration of research done by chambers of commerce and other local research centers.(8)

Such projects can also benefit elected officials aid policy makers. As legislative decisions are debated, an academic library's networks can assist legislators in better understanding the effect of their decisions. Official's concerned with encouraging businesses' expansion or relocation to the state can use these resources to help identify potential locations to meet businesses needs.

In his work, The Knowledge Executive, Harlan Cleveland speaks of the attitudes of the generalist which include questioning assumptions, curiosity, and integration of people and ideas, among others.(8) A librarian consultant with those attitudes can contribute to a company's work, through intelligent questioning, taking an imaginative perspective on the information, and critically evaluating sources of information.

In summary, what businesses can gain from relationships with academic libraries is physical access to research collections and intellectual access to people with expertise in the structure of information sources. Given the need for such access it makes economic as well as philanthropic sense for companies to help fund academic centers which can provide the resources and services that they need.

Since funding is scarce for academic libraries, they too have to ask how such arrangements will benefit them. One answer is the potential political leverage for funding to be gained. Another is that direct contact with businesses provides libraries with insight into the kinds of information structures needed by business. Students whose learning takes place in such institutions bring greater sophistication in integrating information resources into their work. Ultimately, however, that question is resolved by looking to the broader issue of the relationship of higher education institutions to economic communities of which they are a part.

Endnotes

1. Patricia Breivik, "Colorado Funding of Academic Libraries," Colorado Libraries 10 (Summer 1984):

2. Ibid.

3. Donald A. Marchand and Forest W. Horton, Jr., Infotrends: Profiting from Your Information Resources (New York: John Wiley & Sons, Inc., 1986), pp. 99-106.

Frank Newman, "Higher Education and the American Resurgence," (Princeton, N.J.: The Carnegie Foundation for the Advancement of Teaching, 1985), p. 52.

4. This research was not done at Auraria Library, but used many of the resources that a library could provice.

5. An interview with one of the researchers indicated that approximately 1/3 of her information came from library research, 1/3 from personal interviews, and 1/3 from all other sources.)

6. Interviews with two corporate researchers, Christy Campbell and Pam Martin, indicated that one of the benefits of their work with Auraria Library was access to personnel with expertise in doing research in a variety of areas.

7. For more information about the Oregon network index, contact Wes Doak at

503-378-4376. Information here was taken from a press release. Auraria Library's Colorado Information Resource Center was encouraged by Lucy Creighton, economist at First Interstate Bank, Denver. For more information about it, contact Louise Stwalley at 303-556-2638.

8. On February 5, 1987, the Denver Chamber of Commerce hosted 75 representatives from Denver metropolitan area businesses and governments to begin a collaborative network of economic development agencies. The Metro Denver Network (MDN) will coordinate economic development activities and provide consistent data to support activities that will bring new business and industry to Colorado. The members of the Network will use a computer system developed in cooperation with the Colorado Alliance of Research Libraries (CARL) to share data and enhance their communication.

9. Harlan Cleveland, The Knowledge Executive," (New York: E.P. Dutton, 1985), pp. 4-5.